The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, reporting it for the industrial, executive and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 30, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

WHOLE NO. 1073. WILLIAM GREEN, President WASHINGTON, D. C., SATURDAY, OCTOBER 31, 1931 FRANK MORRISON, Secretary VOL. 21, NO. 34.

He who loves not his country can love nothing.—Johnson.

Right to Work

By WILLIAM GREEN
President of the American Federation of Labor

The following editorial by William Green, interpreting the principle of the right to work adopted by the 1931 convention of the American Federation of Labor, is published in the November issue of the American Federationist:

The Vancouver Convention put a new emphasis on the inalienable right of any American citizen to work. In the decades that have passed since the drafting of the Declaration of Independence changing industrial conditions emphasize the need for the establishment of this right that is basic for human welfare.

Work entitles the individual to the means for sustenance because it is an essential factor in the creation of wealth. Persistent denial of the right to work in effect abrogates the right to life, liberty, and the pursuit of happiness. Under modern economic conditions the right to work—to earn a living—are often not under the control of the individual.

Since he must depend upon others for this right it should be an accepted, recognized, social principle. In order to safeguard voluntary principles while maintaining job security, we do not propose altering the present economic order, but a recognition of the facts involved in it.

Workers employed in a business undertaking make an investment in that undertaking that is just as essential as the capital invested. Labor and management are the partners of those who supply the capital.

Acceptance of this fact entails recognition of the equities of these partners and provisions to secure their rights. For the wage-earner, the major equity is job security—the obligation of the establishment to continue to provide employment or to make an adjustment with the worker based upon recognition of his equities.

Our industries have been accustomed to hire large numbers of workers by the day and to lay them off at convenience. Labor submits that industries must be required to do longer range planning. They must be prepared to hire workers for a definite time and to met the equities of workers growing out of such work contracts.

The right to work implies a legal right to income from the industrial undertaking that has enrolled the worker as a member of its producing staff.

Recognition of the right to work will stabilize industrial planning and put greater stability into the lives of millions of wage-earners.

German Capitalists True to Type

The speeches of Dr. Fritz Thyssen, chairman of the United Steel Works of Germany, and Dr. C. F. von Siemens, chairman of the Siemens-Halske Works of Berlin, before the major industries conference at Columbia University, New York, confirmed the belief of forward looking economists that the outstanding owners of industry in every country are deaf, dumb, and blind to the just demands of labor.

In Germany the trade union movement, in addition to pressing for higher wages as the direct method of securing a more equitable share of the wealth which is largely produced by the Labor, has made use of its political strength through the Social Democratic Party to extend the social security system—old age and life insurance, old-age pensions, unemployment insurance and similar institutions, which in Europe are regarded as the legitimate functions of the State.

But Dr. Thyssen, thinking in the terms of profits as the major function of an industrial system, declared that one of the necessary things to bring about the security of Germany was the abolition of her social services. These services, he said, had been imposed on Germany by the German Socialists and trade unions and were costing Germany 46 per cent of her national income.

He neglected to state that the major part of the national income is produced by the workers both in and out of the trade unions, and that therefore it is perfectly equitable for a large portion of the income to go to the masses of the people in social services which minister to the welfare of all.

Dr. von Siemens took a different method of assaulting German Labor. He attacked the theory that the secure way to keep prosperity or bring it back when lost is to maintain high wages and thus increase the purchasing power of the people. On the contrary, he favored cutting wages and expressed the belief that lower wages would enable the employers to employ a larger number of workers.

The views of Dr. Thyssen and Dr. von Siemens are reflected in the United States by those reactionaries who hold that wages should be reduced to the point where they will be accepted by workers threatened with starvation.

Miss Frances Perkins, industrial commissioner of the State of New York, in her testimony before the Senate Committee considering unemployment insurance, confirmed this statement when she declared that in New York employers were forcing wages down to the lowest possible point and were offering stenographers $7, $9 and $10 a week.

Employers throughout the industrial countries of the world are organized in compact national conspiracies to reduce wages to the subsistence point.

Strong, vigorous, militant trade unions are the only force able to lessen the strength of this unscrupulous drive against decent living standards for those without whose brain and bgawn there would be no wealth produced.

BANKS PROLONG CRISIS WITH WAGE CUT POLICY

"There is reason to believe that this depression is being prolonged by failure of credit," says G. M. Bugniazet, president of the International Brotherhood of Electrical Workers and Operators, in an editorial in the official journal of that organization on record wage cuts made by the big steel corporations.

"No agency stops in and give the business system the proper push to drive it on again," Bugniazet continues. "This agency is a banking function, and a public function, but the banks are in the hands of private interests, whose sole purpose is to make money, not to start business at some sacrifice to themselves.

"The only course that occurs to bankers to start business is through wage cuts. This will inevitably prolong the depression, for what is needed is to get money into circulation, not to take it out in the form of dividend reserves.

"The bankers' attitude operates on the theory that people are hoarding money. The real truth is there is little money to spend, let alone to hoard. The business system is starving for want of capital, while the banks bulge with coin."

BUSINESS MEN WARNED TO REMOLD CAPITALISM

New York, Oct. 31.—Owners of industry were warned to remold the capitalist system, in which they have been given their own protection by W. W. Nichols of the Allis-Chalmers Manufacturing Company of Milwaukee in an address to the Steel Founders Society of America at their monthly meeting here.

"Ours is a big part in this social upheaval and woe to us if we do not play our part well," he said.

"The present depression with its widespread misery has disclosed defects so vast as to impugn the claims of our capitalist theories, and it behooves as now more than ever to change. Even communism may have some features hidden from our prejudiced grasp, worthy of emulation."

Mr. Nichols's elaboration of his theels of danger for the capitalists disclosed that his reforms were largely concerned with the interrelations of groups of business men organized for profit to the exclusion of such elemental justice for the workers as the shorter work day and a more liberal share of the earnings of industry.

The Founders did not pale at his predictions.

HOSIERY STRIKERS WIN UNION SHOP

Milwaukee, Wis., Oct. 31.—The four weeks' strike of 2,400 employees of the Phoenix Hosiery Co., who walked out against a drastic wage reduction, ended in the workers accepting a wage cut in exchange for 100 per cent unionization of the plant.

The contract, known as the national agreement, is between the American Federation of Full Fashioned Hosiery Workers and the National Association of Full Fashioned Hosiery Manufacturers' Association, Inc.

The Phoenix Co. is one of the largest hosiery companies manufacturing full fashioned hosiery. Its inclusion in the international agreement, according to national union officers, will assist greatly in lining up other firms.

Automatic Unionism

Under the agreement the seven sections of the mill directly connected with full fashioned knitting became automatically 100 per cent unionized with the check-off for payment of union dues.

In four other departments the agreement grants the union the right to send responsible representatives into the plant at noon hours to solicit membership from those who did not join the strike.

No Profits for Year

The Phoenix Company agrees to forego profits for the life of the contract, which is for two years, Oct. 17, 1932. At the end of the fiscal year, wages are to be reviewed in preparedness for the year. If the firm fails to do this, the contract provides that it shall open its books to inspection by a competent commission representing the union and the firm.

Wages Not Specified

It is understood that after Phoenix wages are leveled up and shaved to bring about the agreement with eastern mills, the average 37 per cent wage reduction agreed to by the national union will be applied here.

The agreement was signed by Emil Rieve, president of the American Federation of Full Fashioned Hosiery Workers, and Parker Margeson, representing the firm.

Commenting on the settlement, Rieve said: "This agreement on the part of the workers means more than merely a labor agreement. It is a move that we hope, will bring about the stabilization of the industry. It provides for the arbitration of all major disputes, which means there can be no more strikes, lockouts or boycotts of any kind during the lifetime of the agreement."

Share Work Among All Jobless Declares Hoover's Relief Group

Washington, Oct. 31.—Further "sharing" of employment by industrial and civic service employees alike was recommended by the Committee on Employment Plans and Suggestions of the President's Organization on Unemployment Relief as one of the most practical means of stimulating employment.

The Committee reaffirmed its previous declaration that there is still much room for trade business improvement, and criticized many business executives for not having done their part in spreading work as much as possible.

The Committee declared that the "white collar" class has not been given adequate consideration, asserting that civil service employees should not be exempted from assisting in the spread-work available, and insisted that a "new concept of work" must be put into use.

Strengthening public confidence in our financial and credit structure was emphasized as the major step necessary to open new sources of employment and thus stimulate normal buying.

The Committee pointed out, however, that bankers to maintain public confidence in giving credit to their customers.

Spreading available work in industrial, commercial and professional enterprises is the most fruitful field for immediate relief of unemployment, the Committee declared, but added that there is "abundant evidence" that some proportion of the Nation's employers have not made efforts to distribute work at their disposal.

Warning is given, however, that there are distressing instances where "gross injustices" have been perpetrated on workers in the interest of economy.

The Committee points out that the large group of workers coming under the civil service regulations have not been forced to share their burden proportionately and that the size of this labor group has increased during the depression. "This public employment category should be the first to recognize voluntarily their responsibility in the general field," the Committee asserts.

Advocating a new conception of "work," the Committee advises that consideration be given equally to workers to married men with dependents, single persons with dependents and single persons without other means of support.

Such action would bring about "widest possible distribution of employment income," the Committee points out, adding that especially in the civil service field are working wives, sons, and daughters whose incomes are not absolutely necessary.

The chairman of the Committee on Employment Plans and Suggestions is Harry A. Wheeler of Chicago, William Green, president of the American Federation of Labor, is a member.

LUMBER COMPANY SELLS JOBLESS FOOD ON CREDIT

Exploit the workers to the limit while they are employed.

Lay them off without pay when the business "efficiency" of the employers reveals itself to be business inefficiency.

Tie them to the company store by means of unemployment by selling them food ration to be paid for when the employers are ready to exploit them again.

This is the remarkable experiment in industrial feudalism applied by the Gilchrist-Fordney Lumber Company at its mills in Wisconsin and Upper Michigan and reported with seeming approval by the National Lumber Manufacturers' Association.

In giving a detailed account of this novel "unemployment relief" plan the American Lumberman says:

"To secure accurate information regarding each employe, a questionnaire was used and then the men were told that they could buy on credit enough for the supplies involved in the food ration during the weeks.

"It was made quite clear to the employes that this was not a case of charity, but that the cost of the supplies would be charged to each employe and he would be given a job by them when the mill reopened and he went back to work.

"That the plan was entirely satisfactory was shown in the fact that no complaint was made about the method adopted by any employe. In fact, some of them remarked that it was a good thing to continue on the ration after resuming work, as they found that they could live more economically than had been the case in the past while employed.

"The cost of the food supplied during this ration was as low as $2.35, based on current prices.

"The Gilchrist-Fordney mill was closed just before Christmas, 1930, and was idle for five months.

"A striking feature of this rationing plan was that not a single man in the months every employe, with two exceptions, returned to work whenever one of these did not return because he was in jail.

"Up to August 1 more than 50 per cent of these food bills had been repaid by the employes."

READING STORE GIVES 5-DAY WEEK TO 1,200

Reading, Pa., Oct. 31.—Pomeroy's, Inc., Reading's largest department store with branch stores in Harrisburg, Pottsville and Wilkes-Barre, placed all its 1,200 workers on the five-day week.

The employes will work five days for the same pay they formerly earned in six days, while the total hours of work will be reduced from an average of 45½ to 42 hours.

Edward Fisher, manager of the Reading store, said that Pomeroy took this step because he believes the five-day working week for both industry and retail business is just around the corner."

STARVE IN MIDST OF PLENTY

Buffalo, N. Y., Oct. 31.—"Men are looking themselves wheiling and no longer bound to support an order of things in which their children must starve in the midst of plenty," declared Rev. Dr. Frank D. Adams, in his address as president of the 51st Universalist general convention at Buffalo.

He asserted that "the only power capable of saving civilization and perpetuating the institutions upon which any decent order of things can stand is religion."

BIG BUSINESS OPPOSES FARMERS' MARKETING PLAN

Chicago, Oct. 31.—James C. Stone, chairman of the Federal Farm Board, and the National Association of Farm Equipment Manufacturers that big business critics of the Board whose slogan was "get the Government out of business" were "carrying on false propaganda" while trying to prevent farmers from seeking an equality with other industries in marketing their products.

Most of these people, he suggested, "are now enjoying aid of one kind or another from the Government and would now rise up to object to the same assistance being given to the farmer, who has just been taken in."

"I am certain that the Farm Board is trying to get the Government out of business and that it is going to succeed in taking the Government out of business if Government aid is to be taken away from everybody alike," he added. "But I am also certain that they will not consent to being singled out alone for such treatment."

UNEMPLOYMENT RELIEF

Ottawa, Canada.—Unemployment relief projects involving a Federal government contribution of $6,000,000 was approved by the Cabinet of the Canadian Government.

Nanuet, N. Y.—Nine Democratic candidates for State Senator and Assembly in Rickland County voted to donate, if elected, 10 per cent of their salaries to an unemployment relief fund.

MICHIGAN MANUFACTURERS PUT LABOR ON 3-DAY WEEK

Detroit, Mich., Oct. 31.—Reducing the workers' standard of living for part time work is the only help for unemployment which the employers of Michigan can offer during the coming Winter, according to John L. Lovett, general manager of the Michigan Manufacturers' Association. This is Mr. Lovett's interpretation of the sharing-work plan of President Hoover's Organization for Unemployment Relief.

If the automobile business warrants it, Mr. Lovett says, the automobile manufacturers will operate their factories six days a week and give each worker only three days work out of six. He says this plan will assure half time work for around 90,000 men during the Winter. He added that the manufacturers by this plan expected to parcel out the available jobs so that every family will have one employed member on part or part time work.

"That means," said Mr. Lovett, "that Michigan workers may have to accept lower pay check than ever, as a result of the demand for manufactured goods continues only 3 present level. But it also means that every family will have at least one bread winner on the pay roll."

IDLE HOME OWNERS GIVEN MORTGAGE MORATORIUM

Geneva, N. Y., Oct. 31.—The New York State Savings and Loan Associations at their annual conference here voted to declare a moratorium on all mortgages on homes whose unemployed owners are paying for them through loan associations and are unable to meet the payments.

Governor L. Bliss of New York, president of the association, said all members had pledged themselves to carry these homes to the limit of their ability.

SWIFT'S EMPLOYE VIOLATES WOMEN'S 8-HOUR DAY LAW

New Orleans, La., Oct. 31.—An employe of Swift and Company, meat packers, was convicted for violation of State laws prohibiting the working of women more than nine hours a day.

N. Y. COURT UPHOLDS MODEL HOUSING LAW

New York, Oct. 31.—Justice John E. McGeehan of the Bronx County Supreme Court rendered a decision upholding the constitutionality of the State's new housing law which permits tax exemption of model tenements constructed by limited dividend companies under plans approved by the State Board of Housing.

The law was enacted to provide more adequate housing facilities for families forced to live in buildings with low rentals. The State Board of Housing is authorized to decide what sections of the city need living quarters under the plan limiting returns on the investment to 6 per cent per annum and fixing low maximum rental levels.

1,500,000 IDLE IN N. Y. WAGES CUT 37 PER CENT

Washington, Oct. 31.—Utilizing for their own selfish ends the existence of an enormous jobless army, employers in New York have not only reduced wages far below the decrease in the cost of living but have established the policy of driving wages down and down to the lowest point at which hungry workers will consent to work to save themselves from starvation.

This was the significant conclusion drawn from the testimony given by Miss Frances Perkins, industrial commissioner of New York, before the La Follette subcommittee on economic planning of the Senate Committee on Manufactures.

Miss Perkins estimated that 750,000 persons are out of work in New York State and 1,500,000 idle.

She said that in New York City one out of every four workers is unemployed, that at least 160,000 persons have reached the limit of their resources, and that 600,000 persons are heads of families or have dependents.

Pay Rolls Cut 37 Per Cent

Miss Perkins declared that employers in the manufacturing industries had cut their pay rolls 37 per cent in the past two years, which amounts to a 37 per cent reduction in wages, and characterized this as "very impressive and significant loss to the whole community in spending power."

Wage Cuts Lower Living Standards

In discussing the lowered living standards of industrial workers in New York have forced on the workers by slashing wage payments $800,000 a year by 40 per cent in pay roll," Miss Perkins said:

"Hospitals are complaining of the increased amount of out-patient work even though there have been no great epidemics. Physicians say they were never so busy, nor have they collected so few payments for their fees.

"Pengient housing, which seemed to be the same pay they formerly earned in six days, while the total hours of work will be reduced from an average of 45½ to 42 hours.

Edward Fisher, manager of the Reading store, said that Pomeroy took this step because he believes the five-day working week for both industry and retail business is just around the corner."

STARVE IN MIDST OF PLENTY

Buffalo, N. Y., Oct. 31.—"Men are looking themselves wheiling and no longer bound to support an order of things in which their children must starve in the midst of plenty," declared Rev. Dr. Frank D. Adams, in his address as president of the 51st Universalist general convention at Buffalo.

He asserted that "the only power capable of saving civilization and perpetuating the institutions upon which any decent order of things can stand is religion."

BIG BUSINESS OPPOSES FARMERS' MARKETING PLAN

Chicago, Oct. 31.—James C. Stone, chairman of the Federal Farm Board, and the National Association of Farm Equipment Manufacturers that big business critics of the Board whose slogan was "get the Government out of business" were "carrying on false propaganda" while trying to prevent farmers from seeking an equality with other industries in marketing their products.

Most of these people, he suggested, "are now enjoying aid of one kind or another from the Government and would now rise up to object to the same assistance being given to the farmer, who has just been taken in.

"I am certain that the Farm Board is trying to get the Government out of business and that it is going to succeed in taking the Government out of business if Government aid is to be taken away from everybody alike," he added. "But I am also certain that they will not consent to being singled out alone for such treatment."

UNEMPLOYMENT RELIEF

Ottawa, Canada.—Unemployment relief projects involving a Federal government contribution of $6,000,000 was approved by the Cabinet of the Canadian Government.

Nanuet, N. Y.—Nine Democratic candidates for State Senator and Assembly in Rickland County voted to donate, if elected, 10 per cent of their salaries to an unemployment relief fund.

MICHIGAN MANUFACTURERS PUT LABOR ON 3-DAY WEEK

Detroit, Mich., Oct. 31.—Reducing the workers' standard of living for part time work is the only help for unemployment which the employers of Michigan can offer during the coming Winter, according to John L. Lovett, general manager of the Michigan Manufacturers' Association. This is Mr. Lovett's interpretation of the sharing-work plan of President Hoover's Organization for Unemployment Relief.

If the automobile business warrants it, Mr. Lovett says, the automobile manufacturers will operate their factories six days a week and give each worker only three days work out of six. He says this plan will assure half time work for around 90,000 men during the Winter. He added that the manufacturers by this plan expected to parcel out the available jobs so that every family will have one employed member on part or part time work.

"That means," said Mr. Lovett, "that Michigan workers may have to accept lower pay check than ever, as a result of the demand for manufactured goods continues only 3 present level. But it also means that every family will have at least one bread winner on the pay roll."

UNION LABOR LIFE WRITES FAMILY INCOME POLICY

New York, Oct. 31.—A family income rider is now being attached to the policies of the Union Labor Life Insurance Co., it was announced here today by Woll, president.

Under the new plan a cash payment of 20 per cent of the face amount of the policy will be made to the beneficiary immediately upon the death condition, a monthly income of $10 per $1,000 will be paid for a period of ten, fifteen or twenty years from the date of death, which ever time is taken out, as provided by the insured.

At the expiration of the family-income term the face amount of the policy will be paid. The extra premiums will remain about the same as the first years and then decline steadily until the end of the family-income period.

METAL MINE OPERATORS FIRED 15,500 MINERS IN 1930

Washington, Oct. 31.—The owners of the metal mines of the United States threw around 15,500 metal miners into the army of the unemployed in 1930, according to reports made to the U. S. Bureau of Mines by the operating companies. The reports show that 103,223 men were employed in the mines in 1930. The companies say that this was a reduction of 13 per cent from the number employed in 1929.

$1,500,000 JOBLESS FUND WORK FOR 1,200

The low wage destroyers of our American living standards keep up their propaganda that wages should be reduced because the cost of living has gone down.

Slave-Labor Wage Theory

This is the old slave-labor theory of wages.

The slave owner provided his slaves with a living. If the price of the living went up, it cost him more for his labor; if it went down, it cost him less. The slave owner profited by variations in cost.

Cost-of-living-wage employers took over the slave-labor cost of living theory and have persistently endeavored to use it as their basis for fixing wages under our free-labor system.

Workers' Living Cost Falls 15 Per Cent

The tangible basis for this reactionary theory was recently knocked under the ropes by Ethelbert Stewart, Commissioner of Statistics of the U. S. Department of Labor, with figures comparing the decrease in the workers' cost of living since 1919 with the decrease in the workers' wages for the same period.

Commissioner Stewart pointed out that during the period between December, 1918, and June, 1921, declines in rents, landlords, and other dealers in the workers' necessaries of life reduced the cost of living about 15 per cent.

Wage Payments Cut 40 Per Cent

But during this same period employers in the manufacturing industries alone reduced the total amount paid the workers in wages almost 40 per cent.

"This decrease of 40 per cent in pay roll," the Commissioner explained, "does not mean, however, that individual wage rates were cut in such proportion. Most of the decline was due to the discharge of employes, to the prorating of jobs, and to short-time work.

"Between June, 1921, and June, 1931, and consequently the purchasing power of employes in manufacturing industries as a whole was less by 40 per cent than it was in 1925, as the widespread reduction in apartment house leases no reason to believe that workers dropped or prorated in manufacturing industries could obtain jobs elsewhere."

Merchants Confiscate Price Decreases

Commissioner Stewart also points out that the significant fact that merchants capture for themselves a large portion of the decreased prices of commodities by not passing them along to the consumers, of whom the workers constitute a very large percentage.

From December, 1925, to June, 1931, he says, the purchasing power of the wholesalers' dollar increased 48 cents, while the purchasing power of the wage earners' dollar, which he calls the "cost-of-living" dollar, increased only 13 cents. This means that wholesalers and retailers combined swiped 35 cents out of a total of 48 cents of the reduction in the factory price of the articles making up the workers' living.

Workers' Net Loss 30 Per Cent

"Meanwhile," continues Commissioner Stewart, "out of every 100 dollars which the workers, at least those in the manufacturing industries, had to spend had shrunk, as noted, by some 40 per cent, the workers attached to manufacturing industries got 25 per cent less and suffered far more from declining pay rolls than they gained from lower prices on the things they had to buy.

Similar detailed information for other groups of industrial workers is now available, but such as is available indicates that the situation of most other groups of workers has been little if any better than manufacturing."

Some Articles Cost More

The cost-of-living wage propagandists rely largely on the reduction in the price of food products, which fell about 25 per cent.

But while food is the largest single item in the worker's budget, it represents only 38 per cent of his expenditures. Fifty-two per cent of the dollar cent of the dollar cent of the dollar